



# Iowa Department of Human Services

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## INFORMATIONAL LETTER NO.1921-MC-FFS

**DATE:** July 26, 2018

**TO:** Iowa Medicaid Durable Medical Equipment (DME) Suppliers and Pharmacy Providers

**APPLIES TO:** Managed Care (MC), Fee-for-Service (FFS)

**FROM:** Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

**RE:** Monthly Billing for Oxygen Concentrators

**EFFECTIVE:** September 1, 2018

**\*\*This letter replaces Informational Letter No. 1802-MC-FFS issued June 5, 2017\*\***

To be consistent with Medicare, the IME will be changing the reimbursement methodology (not the reimbursement amount) for payment of the Healthcare Common Procedure Coding System (HCPCS) Code E1390 (oxygen concentrator) effective for dates of service (DOS) on or after September 1, 2018.

Currently, the rental of the oxygen concentrator is billed with a monthly date span where one day equals one unit. Starting with dates of service on or after September 1, 2018, one month will equal one unit. When the equipment is rented for less than a full month, follow the guidance outlined in the IME Medical Equipment and Supply Dealer provider manual.

The IME FFS will pay E1390 at the rate of one day equals one unit for claims with a start/from date on or before August 31, 2018. Claims with a start/from date on or after September 1, 2018, will be paid at the monthly rate.

The member's Managed Care Organization (MCO) should be contacted for instructions on how to bill claims that extend from August 2018 through September 2018.

This is the policy for an oxygen concentrator provided in the member's home or in a nursing facility. Oxygen concentrators are payable to DME providers only. However, pharmacies may separately enroll as a DME/Medical Supplies provider in order to provide DME and/or medical supplies; as such services are not billable or payable to a pharmacy provider type.

If you have any questions, please contact the IME Provider Services Unit at 1-800-338-7909, or my email at [imeproviderservices@dhs.state.ia.us](mailto:imeproviderservices@dhs.state.ia.us).